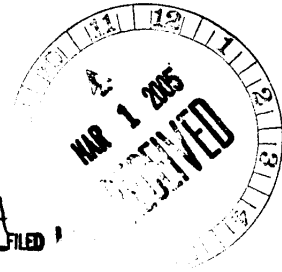




The David J. Joseph Company



February 28, 2005

Mr. Vernon Williams
Recordations Unit
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0006

RECORDATION NO. 24991-A FILED

MAR 01 '05 3-17 PM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Please find enclosed, two (2) originals of the Memorandum of Amendment No. 1 to Railroad Equipment Lease dated as of February 9, 2004 between the following parties:

Lessee: Tennessee Valley Authority
1101 Market Street
Chattanooga, TN 37402

Lessor: Joseph Leasing Ltd.
300 Pike Street
Cincinnati, OH 45202

Please see exhibit A for the equipment, (109) railcars, involved in this transaction.

This filing is to appear in the index as follows: Memorandum of Amendment No. 1 to Railroad Equipment Lease dated as of February 9, 2005 related to one hundred nine (109) railcars bearing reporting marks: JTLX 99501 – 99610, excluding 99587.

Please file this as a secondary document under the Recordation Number 24991-A, as it relates to documents previously filed with the Surface Transportation Board under Recordation Number 24991.

The filing fee for this document in the amount of \$32.00 is included on Check No. 568836. Please return a stamped original to my attention.

Should you have any questions or need further information, please do not hesitate to contact me at (513) 419-6062.

Sincerely,

Julie M. Woodard
Documentation Coordinator

Enclosures

Rail Equipment Group

300 Pike Street
Cincinnati, OH 45202-4214
Phone (513) 419-6200
Fax (513) 419-6221

RECORDATION NO. 24991-A FILED

MEMORANDUM OF
AMENDMENT NO. 1 TO
RAILROAD EQUIPMENT LEASE ~~SURFACE~~ TRANSPORTATION BOARD

MAR 01 '05 3-17 PM

This **MEMORANDUM OF AMENDMENT NO. 1 TO THE RAILROAD EQUIPMENT LEASE** ("Memorandum of Amendment No. 1") entered into this 9th day of February, 2005, is intended to evidence the amendment dated as of February 9, 2005 (the "Amendment No. 1"), between **JOSEPH LEASING LTD.**, an Ohio limited liability company ("Lessor"), and **TENNESSEE VALLEY AUTHORITY**, a corporation organized and existing under an Act of Congress ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board under Section 49 of U.S.C. 11301. Lessee has the right to use the one hundred nine (109) railcars described in Exhibit A attached hereto (the "Units"). Lessee is renting from Lessor all the Units at the rentals and upon the terms and conditions provided in the Lease.

FURTHER, the Memorandum of Railroad Equipment Lease (the "Memorandum of Lease") between Lessor and Lessee, was duly filed with the Surface Transportation Board ("STB") with Recordation No. 24991. This Memorandum of Lease Amendment No. 1 should receive Recordation No. 24991-A.

IN WITNESS WHEREOF, Lessor and Lessee, each pursuant to due corporate authority, has executed this Memorandum of Amendment No. 1 on the date indicated below its signature.

JOSEPH LEASING LTD.

By: 

Name: James H. Goetz

Title: Vice President

TENNESSEE VALLEY AUTHORITY

By: 

Name: Connie S. Gargawley

Title: Rail/Car Contact Specialist

STATE OF OHIO

)

)

SS:

COUNTY OF HAMILTON

)

The foregoing instrument was acknowledged before me this 9th day of February, 2005, by James H. Goetz, Vice President of Joseph Leasing Ltd., an Ohio limited liability company, on behalf of the company.

Angela Denise Watts
Notary Public

My Commission expires:

ANGELA DENISE WATTS
Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration
Date Section 147.03 O.R.C.

STATE OF _____

)

)

SS:

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this ____ day of _____, 2005, by _____, the _____ of _____, a _____ corporation, on behalf of the corporation.

Notary Public

My Commission expires:

EXHIBIT A

To the Memorandum of Amendment No. 1 dated February 9, 2005, between Joseph Leasing Ltd. and Tennessee Valley Authority.

DESCRIPTION OF UNITS

One hundred nine (109) railcars bearing reporting marks:

JTLX 99501 – JTLX 99610, excluding JTLX 99587.